VZCZCXRO9940 OO RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHGO #1783/01 3420857 ZNR UUUUU ZZH O 080857Z DEC 06 FM AMEMBASSY RANGOON TO RUEHC/SECSTATE WASHDC IMMEDIATE 5499 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 1263 RUEHBY/AMEMBASSY CANBERRA 0064 RUEHKA/AMEMBASSY DHAKA 4410 RUEHLO/AMEMBASSY LONDON 1880 RUEHNE/AMEMBASSY NEW DELHI 3656 RUEHUL/AMEMBASSY SEOUL 7162 RUEHTC/AMEMBASSY THE HAGUE 0567 RUEHKO/AMEMBASSY TOKYO 4751 RUEHCI/AMCONSUL CALCUTTA 0990 RUEHCN/AMCONSUL CHENGDU 0994 RUDKIA/AMCONSUL CHIANG MAI 0758 RUEATRS/DEPT OF TREASURY WASHDC RUEHGV/USMISSION GENEVA 2967 RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUCNDT/USMISSION USUN NEW YORK 0630 RUEHBS/USEU BRUSSELS

UNCLAS SECTION 01 OF 02 RANGOON 001783

SIPDIS

SENSITIVE SIPDIS

STATE FOR EAP/MLS; PACOM FOR FPA, TREASURY FOR OASIA:AJEWELL

E.O. 12958: N/A

TAGS: ECON PGOV EAGR BM

SUBJECT: GOB TRIES TO WHITEWASH EXTENSIVE FLOOD DAMAGE

REF: RANGOON 1542

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- 11. (SBU) Summary: Closely-held GOB reports confirm that severe flash floods in central Burma in October damaged over 200,000 acres in Mandalay and Sagaing Divisions and Shan State. Despite unofficial reports of significant human deaths and crop losses, the GOB has not officially acknowledged that the floods caused any damage. Officials ordered villagers in some towns to clean up all traces of the flood, and prohibited affected residents from discussing the disaster with strangers. The flood had a devastating effect, destroying not only crops already in the field, but also stores of food and seed, and will have both immediate and long term effects on food availability in the region, possibly leading to future shortages. End summary.
- 12. (SBU) Embassy Rangoon's agricultural specialist traveled to Mandalay Division and Shan State on November 24 to 30 to assess the damage caused by flash floods that occurred October 8-10 (reftel). While official sources have not released any public information on the flood, Embassy's agricultural specialist was able to obtain access to unreleased Ministry of Agriculture reports that confirm that the floods damaged approximately 200,000 acres, with 2,000 acres totally destroyed. Water from the heavy rains and overflowing rivers combined with broken dams, causing water levels to rise five feet over flood stage in some areas. In Kyaukse, Mandalay Division, the birthplace of regime ruler Than Shwe, water reached to rooftops and destroyed many of the town's food shops and stores of animal feed and fertilizer. Authorities in Kyaukse warned residents not to talk to strangers about the flooding, and ordered them to white wash to cover mud and water marks on buildings.
- 13. (SBU) Traders with whom we spoke reported losses of 147

metric tons (MT) of rice and 241 MT of beans and pulses. Only 20 MT were salvageable. The floods swept away several smaller villages, and residents reported that they saw human, livestock, and even elephant corpses floating in the water. Large sections of main roads in Mandalay and Sagaing Divisions and Shan State were washed out, and many paddy fields and banana plantations were destroyed, making dramatic changes in the landscape.

- 14. (SBU) A few local businesses and religious organizations provided immediate relief to affected villagers, while the GOB provided minimal assistance with some evacuations and a few relief camps. International NGOs World Vision and Bridge To Asia helped rehabilitate damage in their current areas of operation, but officials did not allow them to extend assistance to other locations. Almost a month after the floods, Ministry of Agriculture and Irrigation officials requested targeted assistance from FAO and WFP. Representatives made a quick assessment, and WFP provided funds for a Food for Work program to clear a clogged canal in Mandalay Division. FAO requested some modest funding assistance from the Bangkok regional office. When WFP offered further assistance, GOB officials said that the USDA, the government's political mass member group, or the  ${\tt Myanmar}$ Red Cross would provide it, and that no further outside assistance was needed.
- 15. (SBU) Sagaing Division, one of the primary producing areas for onions, was inundated. The price of onions, a Burmese staple, had already risen by 400 percent in the last two months; the flooding caused prices to soar even higher. Tomato crops grown in the famous floating gardens of Inle Lake in Shan State were almost entirely destroyed by rising waters. Officials did not release excess water from Inle Lake during the flooding, for fear of bursting Moe Pye Dam

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below the lake, so water levels at Inle Lake reached their highest point in years. Many aquaculture farms flooded, sending fish into the streets. In Shan State, Shwe-Nyaung Township suffered the most damage, when waters flooded a marketplace where traders had stored all their wares in anticipation of the next day's weekly market day. Water remained in the township for over a week, while some other areas of Shan State were flooded for up to three weeks. One rice shop we visited reported it had lost USD 100,000 worth of goods. Water-soaked rice, fit only for animal consumption, was selling for less than 50 cents per bag, but still had few takers.

- 16. (SBU) Contacts at the Mandalay YMCA told emboff that authorities gave only one day's warning before opening some major dams in the region, exacerbating flooding in agricultural lands. Since residents of the dry zone have little prior experience with flooding, and little trust in the authorities, few responded to the announcements of dam openings in time. According to our contacts, some villages and farmland in Mandalay and Sagaing Divisions were still flooded in late November. Public infrastructure, including bridges, dams, and railroad tracks, also suffered significant flood damage.
- ¶7. (SBU) COMMENT: The GOB's whitewashing of the flood's damage will have long-term consequences. The regime refuses to report how many people lost their lives, but we know that a great many lost livestock and/or crops in the field. Many of the stored grains and pulses, seeds, and fertilizers were also lost or badly damaged. The people affected need immediate help to rebuild infrastructure and replace lost crops, as well as long term assistance to replace inputs for the next plating season and get through the lean period between harvests. Flood-driven inflation will squeeze farmers even more. Unfortunately, rather than ask for help, the GOB remains in denial and seeks to maintain a policy of self- reliance, adding yet another burden to the load already borne by Burma's rural poor. End comment.